

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:)	
)	
THE FINANCIAL OVERSIGHT AND)	PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,)	Title III
)	
as representative of)	Case No. 17 BK 3283-LTS
)	
THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> , ¹)	(Jointly Administered)
)	
Debtors.)	
)	

**RESPONSE OF AT&T SERVICES INC, ON BEHALF OF ITSELF AND ITS AFFILIATES
INCLUDING AT&T MOBILITY PUERTO RICO INC, TO
FIVE HUNDRED THIRD OMNIBUS OBJECTION (SUBSTANTIVE) OF THE
COMMONWEALTH OF PUERTO RICO TO UNRESPONSIVE ACR CLAIMS
WITH RESPECT TO PROOF OF CLAIM NO. 21512**

AT&T Services Inc. on behalf of itself and its affiliates including, AT&T Mobility Puerto Rico Inc., and other affiliates listed on Schedule A (collectively, “AT&T”), by and through its undersigned counsel, hereby submits this response to the *Five Hundred Third Omnibus Objection (Substantive) of the Commonwealth of Puerto Rico to Unresponsive ACR Claims* (the “Objection”) IECF No. 21751], and in support thereof respectfully states as follows:

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

BACKGROUND

1. AT&T provided telecommunications services, including, among other things, mobile telephone and other data services, to consumers and businesses for which sales and use taxes were collected by AT&T and remitted to the Commonwealth of Puerto Rico (the “Commonwealth”) or related agencies.

2. In November 2010, before the commencement of the above-captioned proceeding, AT&T filed a claim for a refund of Puerto Rico sales and use tax in the amount of \$6,433,205.75 in taxes collected from AT&T’s customers and remitted for the period November 1, 2005 through September 30, 2010 (the “Tax Refund Claim”). A copy of the Tax Refund Claim is attached to the Proof of Claim (as defined below), a copy of which is annexed hereto as Exhibit “A,”

3. On May 3, 2017 (the “Petition Date”), the Commonwealth, by and through the Financial Oversight and Management Board for Puerto Rico, as the Commonwealth’s representative pursuant to section 315(b) of the *Puerto Rico Oversight Management, and Economic Stability Act* (“PROMESA”), filed a petition with the United States District Court for the District of Puerto Rico under title III of PROMESA.

4. By *Order (A) Establishing Deadlines and Procedures for Filing Proofs of Claims and (B) Approving Form and Manner of Notice Thereof* [ECF No. 2521], as modified by the *Order (A) Extending Deadlines for Filing Proofs of Claim and (B) Approving Form and Manner of Notice Thereof* [ECF No. 3160] (the “Bar Date Order”), this Court established the deadlines for filing proofs of claim against the Commonwealth in this proceeding.

5. Under compulsion of the Bar Date Order, AT&T filed a proof of claim bearing Claim Number 21512 (the “Proof of Claim”), which asserts a claim in the amount of \$6,433,205.75 for taxes collected from AT&T’s customers and remitted during the period November 1, 2005 through September

30, 2010. In support of the Proof of Claim, AT&T attached a copy of the Tax Refund Claim. AT&T reserved its right to, among other things, amend or supplement the Proof of Claim.

THE OBJECTION

6. By the Objection, the Commonwealth seeks an order disallowing the Proof of Claim on the basis that AT&T has purportedly not supplied the Commonwealth with “information necessary to complete the claimant’s administrative file.”

7. The Commonwealth has not otherwise objected to the Proof of Claim or challenged the validity of or the amount asserted in the Proof of Claim.

AT&T’S RESPONSE

8. The Proof of Claim and the underlying Tax Refund Claim are premised on sales and use tax collected from AT&T’s customers and remitted during a five year period that began almost 17 years ago. At the Commonwealth’s request, AT&T is in the process of reviewing its books and records for additional information relevant to the Proof of Claim.

9. AT&T simply needs more time to identify, locate, and retrieve the information requested by the Commonwealth. It may come to no surprise that the information pertinent to such an old claim is not readily available. Moreover, many of the people most familiar with the facts and circumstances underlying the Proof of Claim are no longer employed by or otherwise associated with AT&T. Thus, compliance with the Commonwealth’s request for additional documentation in support of the Proof of Claim, which is accompanied by the Tax Refund Claim that was submitted to the Commonwealth twelve years ago, is more difficult than a traditional request for information.

10. AT&T, however, is in the process of working to obtain information to provide to the Commonwealth. AT&T thus asked the Commonwealth to adjourn the Objection pending AT&T’s engagement with the Commonwealth with respect to information related to the Proof of Claim.

11. AT&T reserves the right to amend and/or supplement this Objection and to assert any and all other claims of whatever kind or nature that it has, or may have, against the Debtor or any other debtor that come to the attention of AT&T.

CONCLUSION

WHEREFORE, AT&T Services Inc. and its affiliates respectfully requests that this Court deny the Objection as to AT&T's Proof of Claim without prejudice and grant AT&T such other and further relief as this Court deems just and proper.

Dated: September 20, 2022

Respectfully submitted,

MCCONELL VALDES LLC

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CERTIFICATE OF SERVICE

I certify that on September 20, 2022, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the District of Puerto Rico.

By: /s/ Antonio A. Arias-Larcada
Antonio A. Arias-Larcada

Schedule A

Name of Affiliate
Acadiana Cellular GP
AT&T Mobility LLC
AT&T Mobility II LLC
AT&T Mobility of Galveston LLC
ATC Custom Services, Inc.
Bellingham Cellular Partnership
Bloomington Cellular Telephone Company
Bradenton Cellular Partnership
Bremerton Cellular Telephone Company
Cagal Cellular Communications Corporation
Cagal Cellular Communications Corporation
Cellular Retail LLC
Champaign CellTelCo
Chattanooga MSA LP
Cincinnati SMSA LP
Cingular Wireless Of Texas RSA #11 LP
Cingular Wireless Of Texas RSA #16 LP
Citrus Cellular Limited Partnership
Decatur RSA LP
Florida RSA No 2B
Georgia RSA #3 LP
Hood River Cellular Telephone Company Inc
Houma - Thibodaux Cellular Partnership
Lafayette MSA LP
Louisiana RSA No 7 Cellular GP
Louisiana RSA No 8 LP
Lubbock SMSA LP
Madison SMSA LP
McAllen-Edinburg Mission SMSA LP
Medford Cellular Telephone Company Inc
Melbourne Cellular Telephone Company
Milwaukee SMSA LP
Missouri RSA 11/12 LP
Missouri RSA 8 LP
Missouri RSA 9B1 LP
NE Georgia Limited Partnership
New Cingular Wireless PCS LLC
Ocala Cellular Telephone Company Inc
Oklahoma City SMSA LP
Oklahoma Independent RSA 7 Partnership
Oklahoma RSA 3 LP
Oklahoma RSA 9 LP
Olympia Cellular Telephone Company Inc
Orlando SMSA LP
Pine Bluff Cellular Inc
Provo Cellular Telephone Company

Reno Cellular Telephone Company
Salem Cellular Telephone Company
Santa Barbara Cellular Systems Ltd
Sarasota Cellular Telephone Company
St Cloud Cellular Telephone Company Inc
Telecorp Communications LLC
Texas RSA 18 LP
Texas RSA 19 LP
Texas RSA 2 Limited Partnership
Texas RSA 20B1 LP
Texas RSA 6 LP
Texas RSA 7B1 LP
Texas RSA 9B1 LP
Topeka SMSA LP
Visalia Cellular Telephone Company
Wireless Maritime Services LLC